

"Billy" Tauzin

CONGRESSIONAL COMMITTEE

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Donald "Boysie" Bollinger, Co-Chairman
Wm Clifford Smith, Treasurer
Theodore "Ted" Jones, Counsel
Jimmy Gravois, Committeeman
Steve Gossen, Committeeman
Prosper Toups, Jr., Committeeman

Office of the General Counsel
Federal Election Commission
Washington, DC 20463

Attention: Jeff S. Jordan, Esq.
Supervisory Attorney
Complaints Examination
& Legal Administration

In Re: MUR 5520

Dear Sir:

This will formally acknowledge your letter in re the above MUR and so-called complaint from Mr. Hamilton, dated September 1, 2004, and received by me on September 7, 2004.

Attached is the committee's response, together with supporting and referenced documentation.

Our counsel is Theodore (Ted) L. Jones, 8941 Jefferson Highway, Suite 200, Baton Rouge, Louisiana 70809. Please copy him on all future correspondence.

Please contact me for any further information deemed helpful in resolution of this matter.

Authorized and Paid for by The Billy Tauzin Committee
Wm. Clifford Smith, Treasurer

Contributions to The Billy Tauzin Committee Are Not Tax Deductible for Federal Income Tax Purposes

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COMMISSION
OFFICE OF GENERAL
COUNSEL

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In the event a referral is contemplated, I request a meeting with appropriate staff concerning the results of your review.

Thanking you, I am

Sincerely,

A handwritten signature in black ink, appearing to read "William Clifford Smith". The signature is fluid and cursive, with the first name "William" being the most prominent.

William Clifford Smith, Treasurer
The Billy Tauzin Congressional Committee
A Principal Campaign Committee

WCS/mb
Attachment
Cc: Committee Counsel

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Response of The Billy Tauzin Congressional Committee,
W. Clifford Smith, Treasurer
Tuesday, September 14, 2004

I have carefully reviewed Mr. Hamilton's complaint filed with the Federal Elections Commission and have, for purposes of response, divided it into four (4) principal points.

1. The complaint states the filing is based on "...possible illegal activity in the campaign in the 3rd Congressional District of Louisiana..."and ..."public statements of the Press Secretary of Congressman Billy Tauzin..."

RESPONSE

Mr. Ken Johnson, Press Secretary to Congressman Tauzin, does not speak for the Billy Tauzin Congressional Campaign Committee (hereinafter TBTC), a Principal Campaign Committee, is not an authorized agent thereof, has no authority to discuss its business, issue statements for the committee or act in anyway for or in the name of the committee.

Any conversation he had with reporter John Maginnis is not relevant to the business nor activity of TBTC. See attached articles from The Advocate of September 6, 2004; The Houma Courier dated September 8, 2004; and, article from the Hill dated September 8, 2004.

2. The complaint further states, Mr. Maginnis in his Louisiana Political Fax Weekly of August 20, 2004 quotes Mr. Johnson as saying "there may be some winking and nodding, but no deals" as it relates to the Louisiana Republican Party's endorsement of Billy Tauzin III

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campaign and the potential to direct funds to benefit the campaign of Billy Tauzin III.

RESPONSE

The Louisiana Republican Party is a recognized Political Party under state law, LSA RS 18:441. The Party is controlled by one (1) State Central Committee and a Parish Executive Committee for each parish. LSA RS 18:442. The State Central Committee is composed of two hundred ten (210) members elected at party primaries. LSA RS 18:443.1 et. seq. Its internal and executive management is established by the elected members of the State Party in accord with guidelines from its National Party.

The State Republican Party is entitled to endorse any candidate of its choice, and solicit contributions and make expenditures with respect to its slate of candidates, including Federal campaigns, so long as such contributions and expenditures are within the limits of, expended and reported consistent with Federal and state law. No person may impose his/her individual will nor direct use of Party funds activity, as all Party decisions reflect the collective will of its central committee.

TBTCC has consistently made donations to the National and State Republican Committees to use as such committees see fit. It has made no attempt to direct or earmark any, nor transfer any funds in exchange for any power or privilege of the State or National Committees, given to the respective committees for the benefit of particular candidates or their

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principal campaign committees, nor for any political or personal quid pro quo, especially coordinated campaigns. See committee reports, a public record, on file with the FEC and Secretary of State of Louisiana.

TBTCC has made to date only minor in kind contributions, not in excess of contribution limitations, to Congressman Tauzin's son's election, all of which are public record and on file with the FEC and Secretary of State of Louisiana.

TBTCC is regularly solicited by both the National and State Republican Party Committees for funds for use in helping candidates of their choice in every election, including 2004. Congressman Tauzin has himself worked hard to raise money to help others with respect to their election campaigns. This committee, since the early 1980's has also made contributions within the limits allowed by law (2 USCA 441 et.seq.), to various candidates (2 USCA 432(e)(3)(B)), and will continue to make such contributions permitted by law to both candidates and lawfully recognized political parties. 2 USCA 431 et. seq.

3. The complaint further states "Clearly winking and nodding violates the spirit and letter of the law. Mr. Johnson's public statement (regardless of how intemperate) clearly indicates the intention of subverting the election law and by his own admission had created an avenue of diverting earmarked funds into the coffers of Tauzin for Congress."

RESPONSE

As stated hereinabove, Mr. Johnson does not speak for this committee, and any comment he made to Mr. Maginnis cannot be attributed to, and has no applicability of relevance to TBTCC activity or control of its money. Any other conclusion would violate 2 USCA 441h.

COMMENT

From its inception in 1980 TBTCC has consistently followed all rules of the FEC and the Standing Rules of the U.S. House of Representatives in campaign related conduct and all other matters; and, it will continue to do so until such time as it is terminated. Billy Tauzin II and TBTCC has not “nodded and winked” with anyone relative to making a contribution to or for anyone, nor have they attempted to create any avenue for earmarking or direction of funds to anyone’s campaign.

Billy Tauzin II fully intends to help raise money, and, health permitting, volunteer and campaign for his son. TBTCC funds have been and will continue to be administered in a lawful manner and no contribution has been made, authorized or planned to that will, in any way, subvert the election law or unlawfully divert funds from TBTCC through party committees earmarked for the benefit of any candidate to or through any political party or other conduit.

4. The complaint further states, “This public pronouncement of the intent to violate the law has led me to register this formal complaint and ask

for your immediate intervention. I believe a violation of FEC law is about to occur. The clear intent here is to divert funds into the coffers of Tauzin for Congress”.

RESPONSE

This allegation has been answered hereinabove. Any statement by Mr. Johnson, and whatever is read into same, is not the statement of Billy Tauzin II and/or TBTCC and expresses no intent of any kind on behalf of Mr. Tauzin II and this committee to behave, act or take any other action with respect to any party or committee. TBTCC has been operational since early 1980, and it is most certainly not unmindful of the FECA of 1971, as amended.

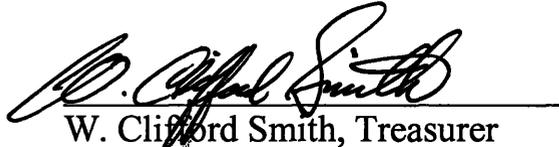
COMMENTS

Even though a complaint is legally confidential until it is reviewed by the FEC and referred for investigation, Mr. Hamilton is trying through his complaint to create a campaign issue to benefit his friend, Mr. Romero. This appears from the release to selected newspapers of Mr. Hamilton’s complaint. See attached articles. Mr. Romero is also previously quoted in another article that he is going to “knock his training wheels off” referring to Billy Tauzin III’s campaign. See attached article from the Baton Rouge Advocate.

The entire efforts of Mr. Hamilton and Mr. Romero is to attack Mr. Tauzin II for the holdings of his committee and are designed to try and force

the State Republican Central Committee to withdraw its endorsement of Billy Tauzin III, by alleging that the Party, in its endorsement, was swayed by money. Mr. Romero is quoted as saying he wanted the Party to withdraw its endorsement "because its all about the \$800,000.00 in daddy's bank account". The State Republican Central Committee rejected the effort by Mr. Hamilton and Mr. Romero to force its withdrawal of its endorsement. See Advocate article of September 12, 2004.

This response is made subject to the penalties of perjury and to the best of my knowledge is true and correct.



W. Clifford Smith, Treasurer
The Billy Tauzin Congressional Committee
(principal campaign committee of Wilbert J.
"Billy" Tauzin II)

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Article published Sep 8, 2004

Federal elections complaint filed against Tazins

By JEREMY J. ALFORD
 Courier Capitol Correspondent

BATON ROUGE -- Citing a "questionable" quote in a well-known political journal, a member of the Republican State Central Committee has filed an elections complaint against the campaigns of U.S. Rep. Billy Tazuin and his son, 3rd District candidate Billy Tazuin III, as well as the state GOP party. Those accused of wrongdoing in the complaint have provided anecdotal evidence they contend proves the effort is baseless and will result in nothing more than a closed case.

Roger Hamilton Jr. of New Iberia has asked the Federal Elections Commission to investigate how the Tazuin family and the state party are handling campaign money. Hamilton, others on the state central committee and every Republican in the state Senate have decried the party's decision to back the younger Tazuin in this year's open election in the 3rd Congressional District, despite there being other Republicans in the race.

Rep. Tazuin is retiring from the post this year in the midst of a battle with intestinal cancer. Hamilton supports another Republican candidate in the race, state Sen. Craig Romero of New Iberia, who has criticized the party's endorsement as political nepotism and a thinly veiled attempt to channel nearly \$1 million from the war chests of Rep. Tazuin to his son's campaign account. Ken Johnson, a spokesman for Rep. Tazuin, said his boss can legally donate money to the national and state parties, as he has done in previous years, but has no control over how the money is distributed.

Hamilton, however, citing a quote from the Political Fax Weekly, a subscription-based journal penned by reporter and author John Maginnis, told the FEC that Johnson said the deal would involve some "winking and nodding" among major players.

"I believe a violation of FEC law is about to occur," Hamilton said. "The clear intention here is to divert funds into the coffers of Tazuin for Congress."

The quote by Johnson, which represents the meat of the complaint, has been described as baseless by both Johnson and Maginnis, who collectively explained the quote was taken out of context and offered as a general description of how some might view party money entering the younger Tazuin's campaign.

Johnson "was talking in general terms," Maginnis said.

Likewise, Johnson said the complaint has no merit.

"It shows, unfortunately, how desperate the Romero campaign has become," Johnson said. "The complaint is baseless since the comment I made was taken out of context. I made it crystal clear in the interview that Congressman Tazuin has made no decision, absolutely none."

Kelly Huff, a spokesperson for the FEC, said she could not confirm or deny that an investigation has been opened, which is standard procedure for the agency. Only after a case is closed is information released to the public and those involved, she added.

Huff said the normal procedure for such a complaint involves contacting the involved parties five days after receipt of the letter, then allowing for 15 days of feedback. The general counsel then makes a recommendation to the commission, and a decision is made.

As far as the Tazuin complaint, Huff said she saw nothing out of the ordinary. "We get a lot of complaints in an election year."

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The other Republican in the race is Dr. Kevin Chiasson of Choupic. The Democrats in the race include state Rep. Damon Baldone of Houma, Charmaine Caccioppi of Raceland and Charlie Melancon of Napoleonville.
The primary election is scheduled for Nov. 2, with a runoff, if needed, Dec. 4.

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Complaint filed against state GOP

Panel member asks FCC to probe endorsement

By PATRICK COURREGES

Acadiana bureau

NEW IBERIA -- A member of Louisiana's Republican State Central Committee has filed a federal complaint against the state party, U.S. Rep. Billy Tauzin's congressional campaign and the 3rd District campaign of Tauzin's son, Billy Tauzin III.

Roger Hamilton Jr. of New Iberia has asked that the Federal Election Commission launch an investigation into the activities of the state party and the congressional campaigns of the elder and younger Tauzins.

Several members of the party's state central committee, and the entire Republican state Senate delegation, have decried the party's endorsement of the younger Tauzin in a race with two other Republican candidates still in the running.

One of those candidates, state Sen. Craig Romero of New Iberia, has claimed the endorsement paved the way for the elder Tauzin, who is stepping down from his longtime seat in the 3rd District, to funnel no-longer-needed campaign money to his son's campaign through the Republican National Committee.

The other Republican running in the Nov. 2 race is Kevin Chiasson, a former doctor from the Thibodaux area.

The Democrats running in the district that covers 10 parishes and parts of three more are state Rep. Damon Baldone of Houma; Charmaine Caccioppi of Raceland, a former staffer for longtime U.S. J. Bennett Johnston; and Charlie Melancon of Napoleonville, former president of the Thibodaux-based American Sugar Cane League.

In an interview and in his letter, Hamilton said that the call for an investigation is based heavily on a published account of U.S. Rep. Tauzin's spokesman, Ken Johnson, having said, "There may be some winking and nodding but no deals," allegedly in reference to such a shift of money.

"This public pronouncement of the intent to violate the law has led me to register this formal complaint and ask for your immediate intervention," Hamilton wrote in his complaint. "I believe a violation of FEC law is about to occur."

Johnson said he did make the "winking and nodding" comment in an interview with political commentator John Maginnis last month, but that it was taken out of context.

Johnson said he made "crystal clear" in the interview that he was speaking generally about tactics he has observed "at a distance" in the past in other candidates' campaigns.

Maginnis, in a Tuesday interview, backed up Johnson's memory of the conversation, saying Johnson had been speaking about general observations how the National Republican Congressional Committee has functioned in the past, not about the current 3rd District race.

Johnson said U.S. Rep. Tauzin still has not made plans about what to do with his leftover campaign money.

"This complaint was filed for political reasons," Johnson said.

Hamilton said his complaint was filed because, "We have serious issues on hand" and that he's not in the habit of filing frivolous lawsuits.

Heading copies of Hamilton's letter faxed and e-mailed throughout the state was the declaration that an "official investigation" has been opened by the FEC.

Backing that up was a copy of a letter dated Sept. 1 apparently from the FEC to Hamilton acknowledging receipt of the complaint, noting that the parties accused in the complaint will be notified, and stating that the FEC will notify Hamilton as soon as it takes final action on the complaint.

Officials with the FEC said Tuesday that the procedure for such complaints is for the commission's attorneys first to consider the complaint and get a response from those accused of violations of law.

The accused parties have 15 days to respond, and can get that time extended. After a response is sent to the FEC's general counsel, the counsel then considers the information and decides whether to recommend it to the commission for further investigation.

If the general counsel sends a complaint to the FEC, then the commission must consider it and vote on whether or not to investigate.

Only when the FEC directs such an investigation does the general counsel go forward with it.

Click here to return to story:

http://2theadvocate.com/stories/090804/sub_complaint001.shtml

September 8, 2004 Wednesday

SECTION: Pg. 4

LENGTH: 495 words

HEADLINE: FEC probes **Tauzin** money-transfer claim

BYLINE: By Patrick O'Connor

BODY:

The Federal Election Commission (FEC) is investigating a possible violation of money-transfer laws between the campaigns of Rep. Billy **Tauzin** Jr. (R-La.) and his son, Billy **Tauzin** III.

The investigation was sparked by a complaint from an assistant district attorney in New Iberia, La., whose father is a friend of one of the younger **Tauzin's** opponents for the 3rd Congressional District seat, state Sen. Craig Romero. The senior **Tauzin** is vacating the seat.

The complaint cites an interview between the senior **Tauzin's** part-time communications director, Ken Johnson, and a Louisiana political reporter. Roger Hamilton, who filed the complaint, alleged that Johnson's remarks - "there may be some winking and nodding but no deals" - were made in reference to the recent endorsement by the Louisiana State Republican Party of **Tauzin** III.

Hamilton charges the party with endorsing **Tauzin's** son so that it could access his father's campaign coffers - worth about \$900,000, according to the Center for Responsive Politics - a charge leveled by Romero immediately after the endorsement announcement.

In addition to filing his FEC complaint, Hamilton and at least four other members of the Louisiana Republican Party's State Central Committee have called for a vote to rescind the **Tauzin** endorsement at this Saturday's committee meeting.

"Election law is written to prevent certain actions, and coordination is one of those actions," Hamilton said.

Johnson said his remarks were taken out of context and should not be the foundation of any investigation. "The complaint is ridiculous and baseless," he said.

"I made it perfectly clear that the congressman has made no decisions about what he will do with his campaign money," Johnson added.

The reporter, John Maginnis, supported Johnson's claims.

Maginnis, the publisher of Louisiana Political Fax Weekly, was interviewing Johnson about whether or not there had been any communications between the **Tauzin** campaigns about transferring funds from one to the other. Johnson told him there were not.

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Then, Maginnis said, Johnson made an off-the-cuff comment about campaigns in the past making deals by "winking and nodding" but added that "no one is going to jail over campaign contributions."

"I wasn't thinking about it when I wrote it," Maginnis said.

Maginnis said the timing of the investigation was a little funny, considering the Saturday meeting.

Romero said he was contacted by Hamilton about the complaint only after he had filed it. The state senator said his campaign has benefited from all the media attention surrounding the endorsement and has received a number of letters from angry citizens of the 3rd District, some of whom are now volunteering for his campaign.

Hamilton said he has not heard anything else from the FEC after they sent him a letter this morning alerting him that the investigation had begun. Johnson said he had not been contacted by the FEC either.

LOAD-DATE: September 13, 2004

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